

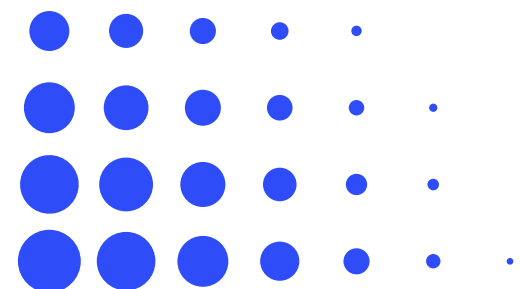
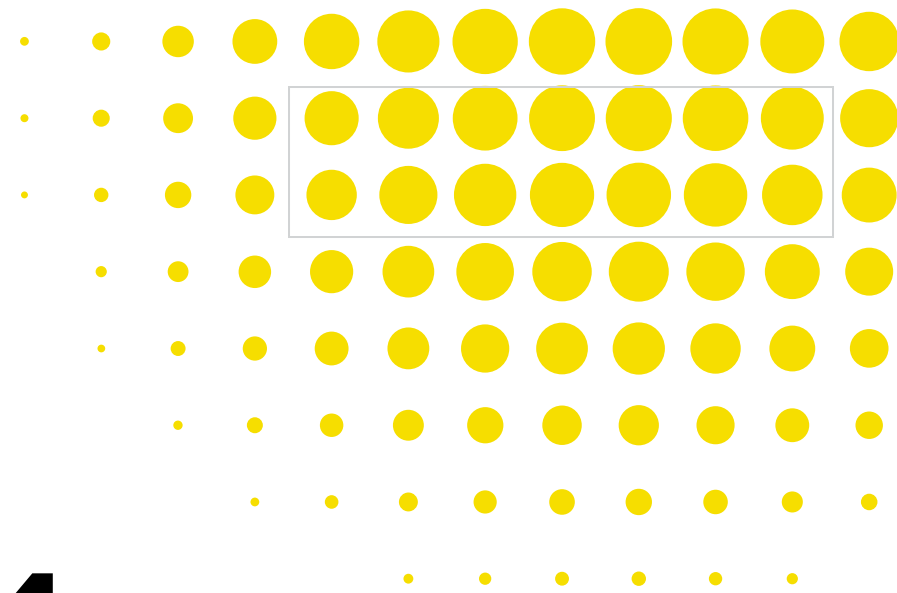
Financial Performance as at 31st December 2024

53rd Board Meeting

• 7-9 May 2025, Geneva, Switzerland

• *For Information*

• GF/B53/06



Agenda

Overview of Financial Performance

1. Executive Summary
2. Corporate Asset Utilization
3. C19RM
4. Holistic OPEX
5. ALM

Annex

1. Summary of Committee Input
2. Pledge conversion
3. Grants update (HTM & C19RM)
4. Program Management costs
5. OPEX (regular and C19RM)
6. Grant Financial performance index & definitions

Executive Summary

Positive ALM with limited fiscal flexibility, no PO recommendation

- ✓ Tight ALM balance noting positive evolution in sources of funds and strong levels of utilization of funds.
- ✓ **No Portfolio Optimization proposed** for both HTM and C19RM as fiscal space is limited.
- ✓ **Enhanced real-time vigilance on evolving** funding landscape. Sources of Funds will be monitored and adjusted for funding events.

SoF progressing positively despite additional pledge adjustments

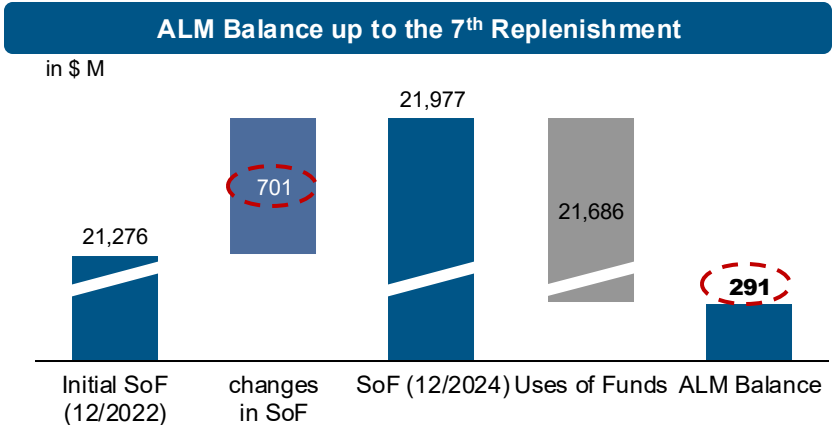
- ✓ **Positive evolution of Sources of Funds +US\$ 701M over the cycle** of which more than 75% driven by investment income returns, and new adjusted pledges moderated by additional pledge adjustments.

GC6 HTM: exceeding 85% target / GC7: forecast aligned with our level of ambition

- ✓ **GC6: great performance of HTM grants with 89% ICA**, exceeding the **85% target by +4%**.
 - ❑ Most modules reached high absorption incl. **direct RSSH at 81% ICA** where absorption picked up towards the end of the cycle.
 - ❑ Closures on-going 81% of Financial Closure Report (FCR) due for closure are validated.
- ✓ **GC7: AU forecast at 97%** consistent with previous forecast. Dec'24 expenditure reports show a relatively good start of GC7 with **66% ICA**, aligned with Year 1 of implementation in previous cycles.

C19RM: AU forecast at 99% aligned with utilization ambition by end of the cycle

- ✓ **C19RM absorption is stable, reflecting 6 months of implementation of the strategic shift** while Investments in RSSH-related activities require time to materialize with significant capital expenditures.
- ✓ Absorption expected to increase with recent reinvestments and the materialization of the procurement pipeline. Significant scale-up in Strategic Priority areas needed but Secretariat efforts are expected to improve funds utilization.
- ✓ These efforts include **continuous enhanced monitoring through the RSSH Acceleration Initiative**.
- ✓ **Closure flexibilities to be leveraged** to finalize execution of initiated investments, with extensions to be granted on a **limited and case-by-case basis** with no additional PO expected.



In-Country Absorption (ICA)

based on latest expenditure reports at Jun 24 for GC6 & C19RM; at Dec 24 for GC7

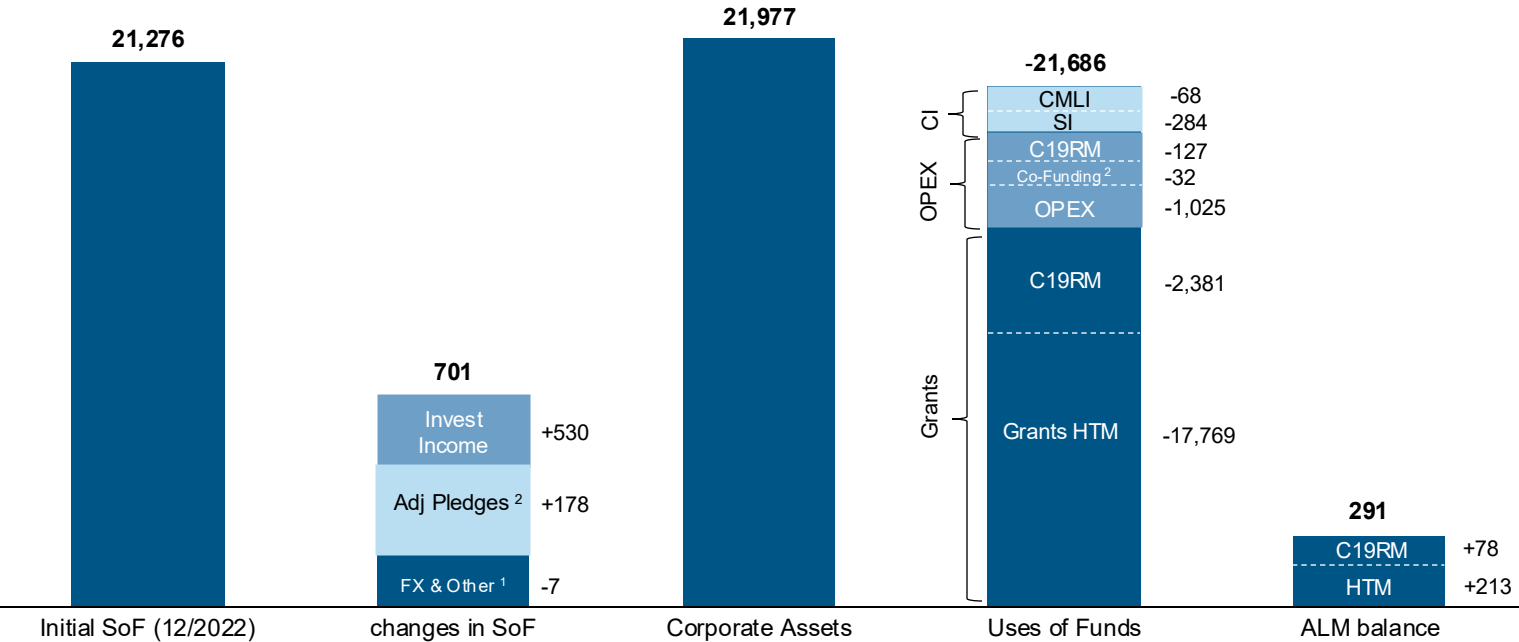
	GC6		C19RM		GC7
	ICA at Jun24	ICA (Q4 2023)	ICA at Jun24	ICA (Q4 2023)	ICA at Dec24
Target:	85%		85%		75%
West & Central Africa (WCA)	91%	↑ 88%	62%	↓ 68%	67%
Rest of Africa (RoA)	90%	↑ 84%	67%	↑ 62%	59%
Rest of the World (RoW)	85%	↑ 83%	72%	↓ 75%	74%
Overall Results	89%	↑ 85%	67%	↔ 67%	66%

Corporate asset utilization at 99% affirms strong financial performance in both HTM and C19RM but confirms the limited fiscal flexibility as we navigate the current context.

ALM Balance up to the 7th

➤ No current proposal for PO recommendation to AFC.

in \$ M as of 31 December 2024

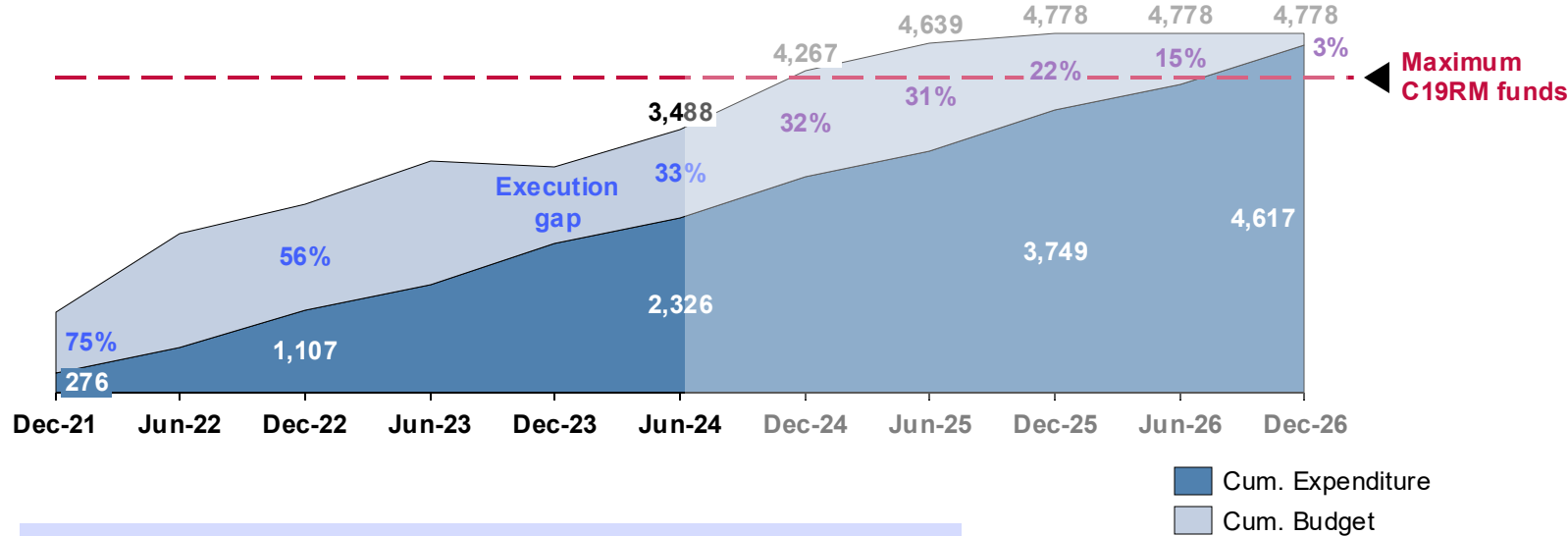


Organizational Performance	%
Overall ALM Utilization	99%
Pledge Quality (R7)	87%
Pledge quality (R6)	94%
Grant Operations (AU)	
HTM (GC7)	97%
HTM (GC6)	98%
C19RM 2021	99%
Strategic Initiatives	
SL_ Catalytic (GC7)	83%
SL_ Catalytic (GC6)	92%
SL_ CMLT (GC6)	80%
Secretariat Operating Costs	
Regular OPEX (GC7)	100%
C19RM Mngt fees	100%
Co-Funding Contributions	100%

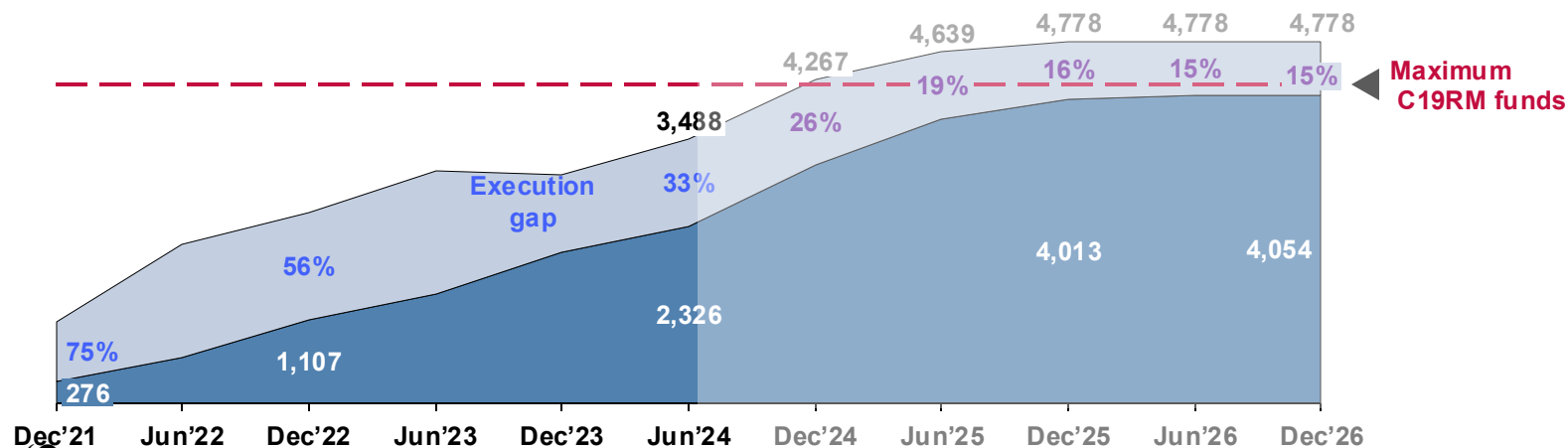
Modeled scenarios based on projections confirm the feasibility of achieving high level of utilization

US\$ M

1. Linear scenario (based on average C19RM expend. trend)

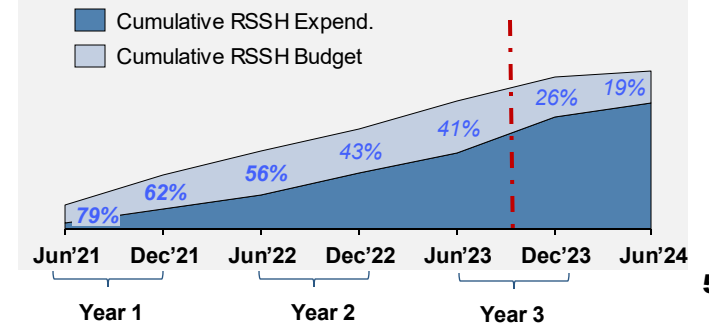


2. RSSH trend scenario (based on RSSH expend. trend)



- Maximum C19RM funds of US\$ 4.2Bn represents the maximum available funds that can be disbursed and spent, not considering optimization and rollover.
- Linear scenario: expenditure projected based on past average run rates**
 - 78% ICA projected at end of Dec 2025, 85% at end June 2026 with full utilization of funds achieved.
 - Potential risk to overspend the maximum funds available (US\$ 4,192M) if all top 42 are extended beyond June 2026.
- RSSH trend scenario: expenditure projected with execution gap vs budget similar to GC6 RSSH trajectory**
 - The acceleration would start towards the end of the current year (after June 2025).
 - Considering longer execution period of the C19RM grants compared to usual grant cycle, better results are expected.
- Both scenarios confirm feasibility of high-level utilization of available funds considering the expenditure trends. Limited extensions will be approved on a case-by-case basis and closure flexibilities will allow for finalization of started activities.

GC6 RSSH modules expend. trend



Holistic view by nature – Total Secretariat Operating Expenses

Strong utilization of 98% for 2024

in US\$ K	Regular OPEX ¹				OPEX - C19RM ²				Strategic Initiative ³				Co-funding ⁴				TOTAL			
	YTD December Actuals	FY 2024 Revised Budget	FY Latest Forecast	Budget Utilization %	YTD December Actuals	FY 2024 Revised Budget	FY Latest Forecast	Budget Utilization %	YTD December Actuals	FY 2024 Budget	FY Latest Forecast	Budget Utilization %	YTD December Actuals	FY 2024 Budget	FY Latest Forecast	Budget Utilization %	YTD December Actuals	FY 2024 Revised Budget	FY Latest Forecast	Budget Utilization %
LFA Fees	41,941	43,212	43,274	97%	8,698	10,500	10,500	83%	-	-	-		-	-	-		50,638	53,712	53,774	94%
CCM Funding	10,786	11,062	11,048	98%	215	150	215	++	-	-	-		-	-	-		11,002	11,212	11,264	98%
Costs Secretariat and OIG	274,811	278,910	278,611	99%	30,070	32,907	29,760	91%	5,308	4,959	4,690	++	5,658	5,658	5,658	100%	315,847	322,433	318,718	98%
Workforce	197,012	195,094	196,946	++	23,677	23,786	23,325	100%	4,276	4,035	3,939	++	5,430	5,430	5,430	100%	230,395	228,345	229,639	++
Staff	187,954	189,680	189,150	99%	20,377	21,174	20,495	96%	3,968	3,931	3,646	++	4,026	4,026	4,026	100%	216,324	218,810	217,317	99%
Individual / Temp Consultants	9,059	5,414	7,796	++	3,300	2,612	2,830	++	308	104	293	++	1,404	1,404	1,404	100%	14,072	9,535	12,322	++
Professional fees	35,962	39,302	38,903	92%	1,527	4,113	1,575	37%	-	-	-		1,343	1,343	1,343	100%	38,831	44,758	41,820	87%
Travel	14,778	15,007	15,466	98%	1,686	1,805	1,663	93%	609	565	481	++	628	628	628	100%	17,702	18,005	18,238	98%
Meetings	2,285	2,446	2,365	93%	1	25	0	4%	424	358	270	++	186	186	186	100%	2,896	3,016	2,821	96%
Communications	1,662	1,995	1,756	83%	-	-	-		-	-	-		7	7	7	100%	1,670	2,003	1,764	83%
Office Infrastructure	19,795	21,081	19,860	94%	1,567	1,513	1,586	++	-	-	-		-	-	-		21,362	22,594	21,446	95%
Board Constituency	1,231	1,440	1,231	85%	-	-	-		-	-	-		-	-	-		1,231	1,440	1,231	85%
Depreciation	2,085	2,544	2,085	82%	-	-	-		-	-	-		-	-	-		2,085	2,544	2,085	82%
External Co-Funding	-	-	-		-	-	-		-	-	-		(1,937)	(1,937)	(1,937)	100%	(1,937)	(1,937)	(1,937)	100%
Opex before non-recurring costs	327,538	333,184	332,933	98%	38,983	43,557	40,476	89%	5,308	4,959	4,690	++	5,658	5,658	5,658	100%	377,487	387,357	383,756	97%
Total Non-recurring costs	13,072	9,064	9,300	++	259	1,200	997	22%	-	-	-		-	-	-		13,331	10,264	10,297	++
Opex before non-recurring costs	340,610	342,248	342,232	99.5%	39,242	44,757	41,473	88%	5,308	4,959	4,690	++	5,658	5,658	5,658	100%	390,818	397,621	394,052	98%

¹ Revised Budget includes reclassification from MEC members

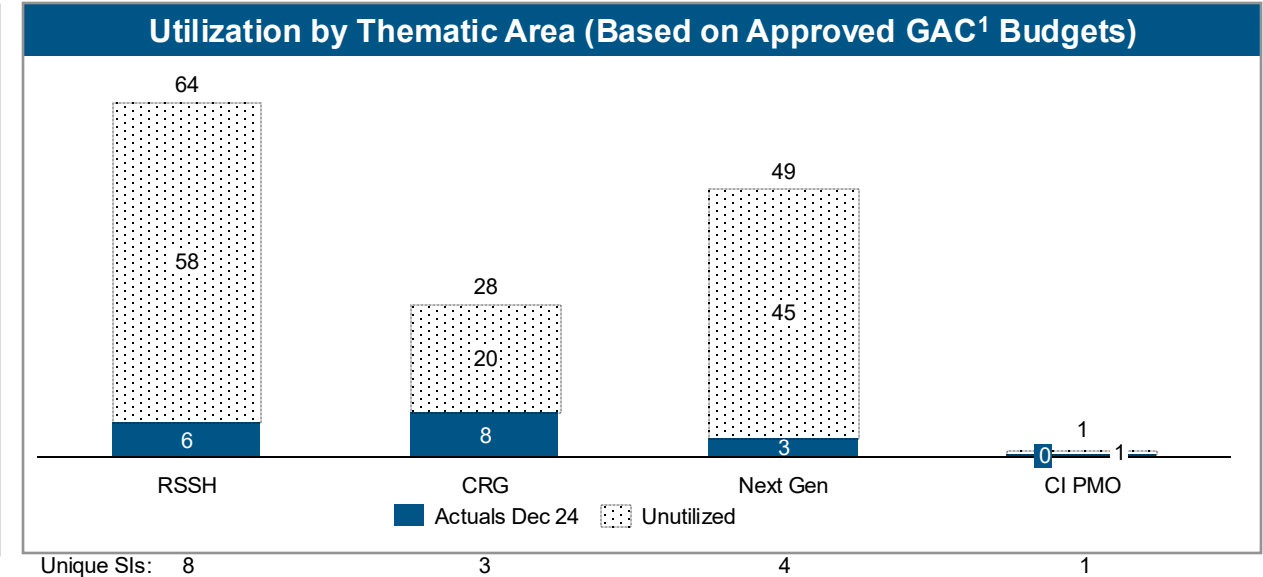
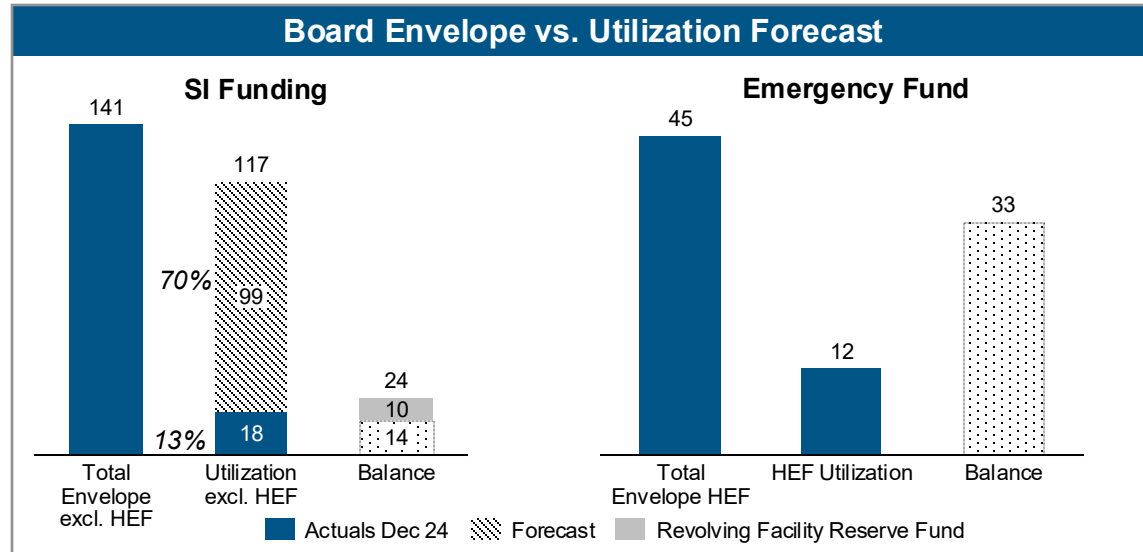
² OPEX - C19RM is C19RM Management and Operating Costs

³ Includes CMLI

⁴ Co-funding: operating expenditure funded through earmarked contributions

GC7 SIs utilized 13% of total envelope* at end of December 2024 and projected 83% utilization by end of the cycle (89% excl. the Revolving Facility Reserve)

in \$ M



- At the end of December 2024, **GC7 SI's fund utilization reached 13% of GAC approved funding** which includes **additional private sector funding received in late 2024** and planned for use in 2025-2026. SIs utilized **71% (US\$ 18M) of the planned GAC-approved budgets (US\$ 24.5M) for the first year of implementation**, signaling strong implementation progress.
- Based on the SI approach (with payments linked to deliverable submission) and patterns of expenditure from GC5 and GC6, utilization tends to accelerate later in the cycle. In GC6, SIs with lower expenditure in Year 1 generally caught up with the rest of the portfolio in Year 2.
- SIs are better positioned than in the past to maximize funding in GC7, with earlier planning with countries and CTs and a broader range of tools available, including revision, reallocation and optimization (generally utilized later in the cycle).

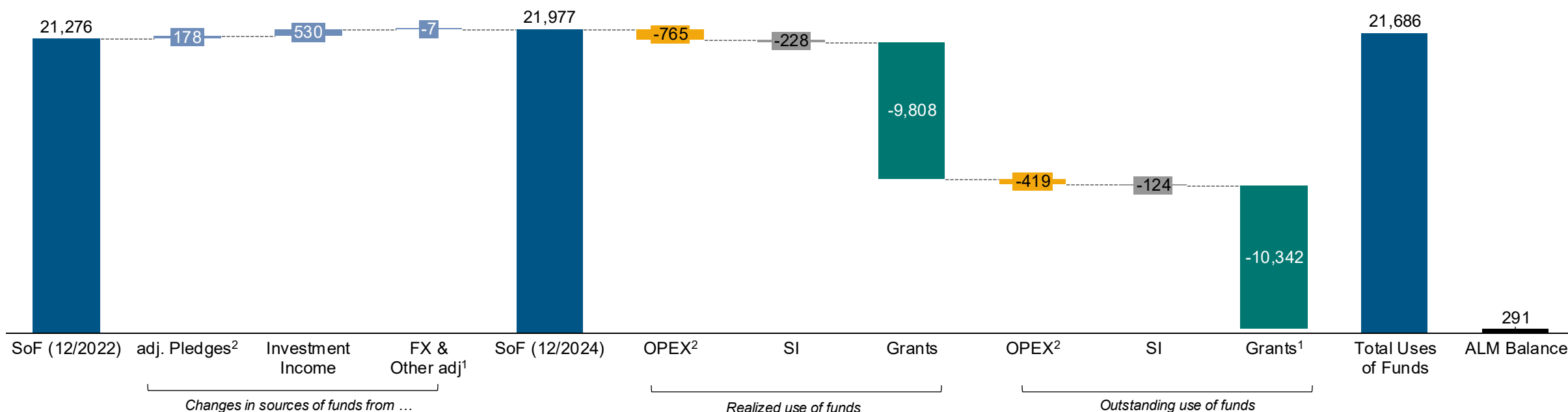
* Total envelope excludes the Emergency Fund; it is inclusive of private sector funding. Total envelope also includes the Revolving Facility Reserve (US\$ 10M) which serves as a backstop for Revolving Facility transactions and by design, it is not intended to be utilized.

Positive ALM balance affirms strong performance – confirms the limited fiscal flexibility

Overall ALM until the 7th Replenishment

Amounts in US\$ millions at reference rate, actuals to 31 December 2024

ALM Balances – incl. 7th Replenishment



- Positive combined ALM of US\$ 291M (HTM: US\$ 213M; C19RM: US\$ 78M).
- Sources of funds show progress (+US\$ 701M) on new pledges, inv. income, forex & additional pledges moderated by additional pledge adjustments.
- No PO has been proposed for the Board, as we navigate the current context amidst limited fiscal flexibility.



Annex

Summary of Committee Input (Draft)

At its 27th AFC meeting, the Secretariat presented an update on the organization's financial performance, including the Asset Liability Management (ALM) balance, positive evolution of sources of funds, financial performance of both core HTM (HIV, TB and malaria) diseases and COVID-19 Response Mechanism (C19RM) grants, Operating Expenses (OPEX) and Strategic Initiatives performance. The resulting ALM balance while positive at US\$ 291M, results in 99% asset utilization, which is high and provides limited fiscal flexibility. Hence, no Portfolio Optimization was proposed.

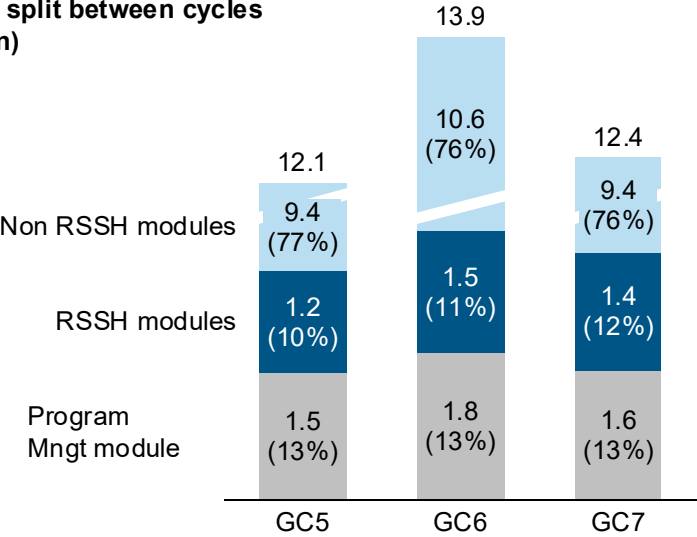
The AFC engaged in discussion around the following topics:

1. The AFC asked about the sustainability of C19RM programs beyond the investments from the Global Fund, and clarification on the main factors that could impact the current capacity to utilize the C19RM funds effectively. The Secretariat clarified that the strategic shift initiated in 2023 was intentional to direct C19RM programming towards high-quality RSSH investments. The five strategic priority areas defined as part of the shift predominantly involve capital investments, which accounts for the pace of implementation. The Secretariat remains confident in the ability of the implementers to appropriately utilize the funds, as most procurement orders for equipment and health products have been placed. In addition, different teams within the Secretariat are collaborating on the pathways to sustainability, including public private partnerships.
2. GC7 SI actual utilization was discussed. The Secretariat provided assurance on the current utilization levels. Past cycles have confirmed the expenditure patterns over the cycle with a measured start in Year 1 as planning and implementation arrangements are being discussed, accelerating in Year 2 and 3 when contracts are fully in place.
3. With the current donor landscape, the Secretariat confirmed the enhanced real-time vigilance around the sources of funds and will continue to closely monitor the ALM situation.

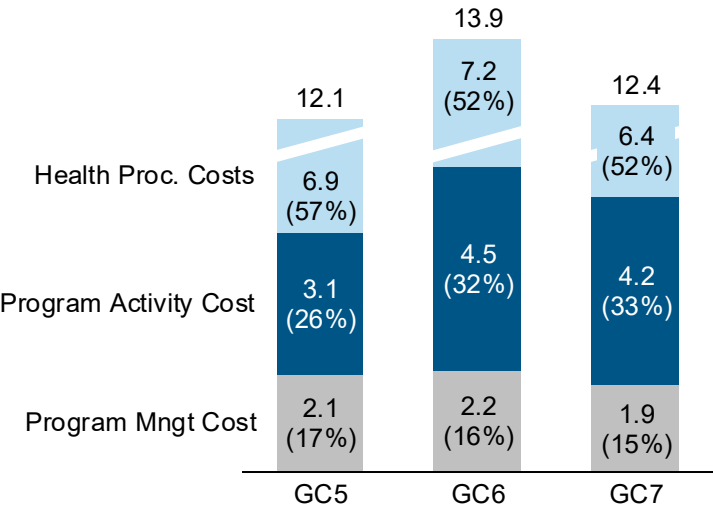
Strong HTM performance across investment landscape and modules for GC6. GC7 start aligned with past cycle performance at Year 1 of implementation

Modular Framework Financial Analysis

Budget split between cycles
(US\$ Bn)



Investment Landscape Analysis



In-country Absorption based on latest expenditure reports¹ (%)

	Full cycle	Year 3+6 months	Year 1	Year 1
	GC5	GC6	GC7 (PR data)	GC6
Non RSSH modules	91% (US\$ 8.5/9.4Bn)	89% (US\$ 9.2/10.4Bn)	71% (US\$ 1.1/1.6Bn)	69%
RSSH ² modules	85% (US\$ 1.1/1.2Bn)	81% (US\$ 1.1/1.4Bn)	39% (US\$ 0.2/0.4Bn)	39%
Program Mngt [*] module	96% (US\$ 1.5/1.5Bn)	93% (US\$ 1.6/1.7Bn)	73% (US\$ 0.3/0.4Bn)	73%
Total	91% (US\$ 11.0/12.1Bn)	89% (US\$ 12.0/13.5Bn)	66% (US\$ 1.5/2.3Bn)	66%

	Full cycle	Year 3+ 6 months	Year 1	Year 1
	GC5	GC6	GC7 (PR data)	GC6
Health Proc	90% (US\$ 6.3/7.0Bn)	93% (US\$ 6.6/7.1Bn)	77% (US\$ 0.7/0.9Bn)	72%
Program Activity	85% (US\$ 2.7/3.2Bn)	81% (US\$ 3.4/4.2Bn)	54% (US\$ 0.5/0.9Bn)	55%
Program ^{**} Mngt	99% (US\$ 2.2/2.2Bn)	91% (US\$ 1.9/2.1Bn)	65% (US\$ 0.3/0.5Bn)	66%
Total	91% (US\$ 11.0/12.1Bn)	89% (US\$ 12.0/13.5Bn)	66% (US\$ 1.5/2.3Bn)	66%

¹ Most expenditures are at Jun 2024 but few IP show expenditure at Sep 2024 for GC6. GC7 PR data at Dec 2024.

² RSSH refers to RSSH modules as defined in the Global Fund modular framework

Modular Framework:

GC6:

- Strong performance on **Program management module** and on **non-RSSH modules**, exceeding the 85% target.
- RSSH** performance improved overtime to reach 81% absorption (known trend in RSSH of catching-up by the end of the cycle).

GC7:

- GC7 start consistent with past cycle absorption, with low RSSH in Y1.

Investment Landscapes:

GC6:

- Strong performance on health product procurement & program management (> 90% ICA).
- Program activity has been able to catch-up on past delays and reach ICA of 81%.

GC7:

- Overall and aggregated performance aligned with GC6 levels at the end of year 1.

^{*} Program management is per modular framework

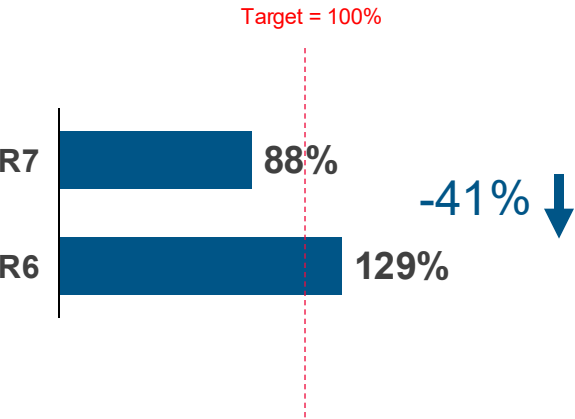
^{**} Program management is per investment landscape

Progress in pledge conversion to the end of year 2 (US\$ 8Bn) while pledge quality remains consistent at 87% given adjustments & set asides

\$ M at reference rate – Dec 24 (Dec 21 for 6R comparative period)

Pledge Target – KPI 10a

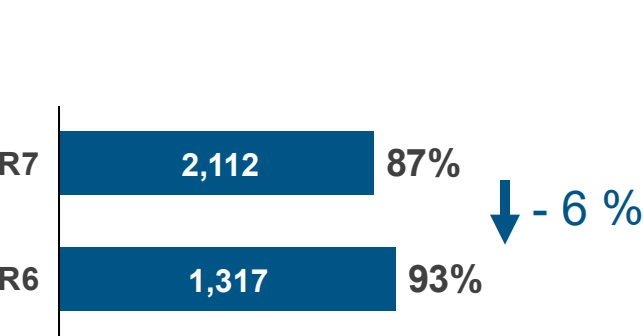
in %



- Announced pledges of US\$ 15.783Bn reaching 88% of the R7 target.
- R6 at the same point in the cycle US\$ 18Bn includes pledges for
 - HTM at US\$ 14.2Bn
 - C19RM at US\$ 3.9Bn
- Resource mobilization efforts ongoing to convert 7th replenishment pledges and focus on 8th replenishment preparation.

Pledge Quality

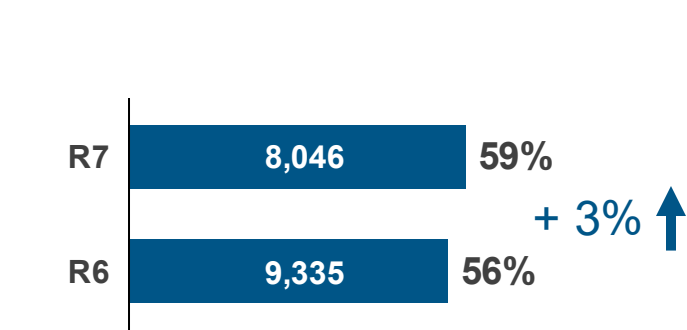
Pledge adjustments in \$ M, pledge quality in %



- Pledge quality -6% lower at 87% compared to the similar period under the 6th replenishment (incl. C19RM).
- Value of pledge adjustments is higher by US\$ 780M and currently stands at US\$ 2,112M in the 7th replenishment, largely driven by the unmatched pledge adjustment and increased TA set-asides.
- Enhanced monitoring given tension noted in conversion rates of top donors.

Cash Conversion

in \$ M

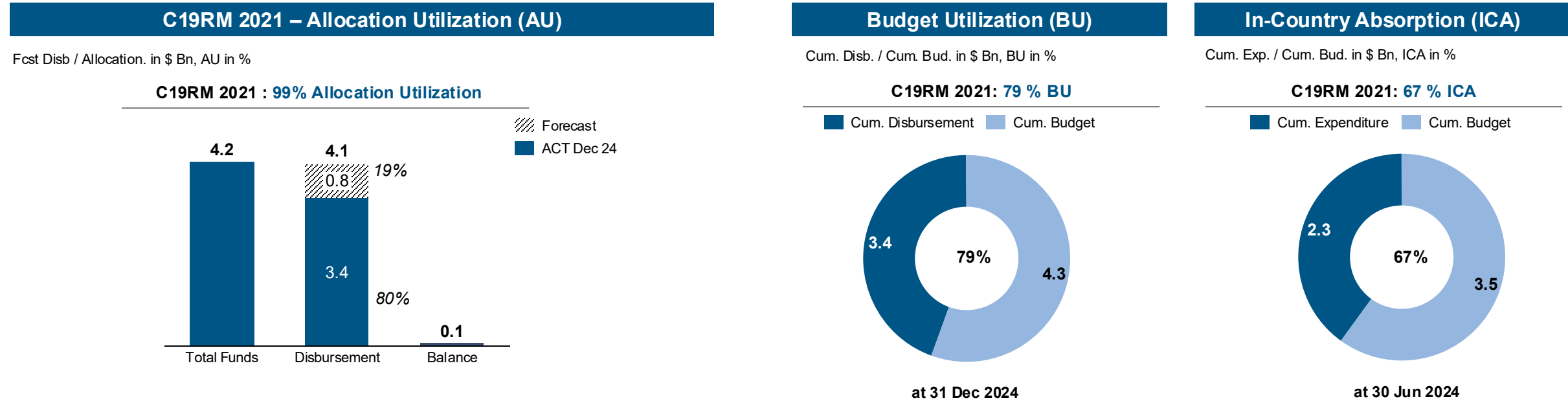


- Absolute cash receipts of US\$ 8,046M, conversion +3% higher in 7th replenishment cycle compared to the similar period under the 6th replenishment.
- Absolute cash conversion of US\$ 8.0Bn, US\$ 1.3Bn lower than conversion levels for the similar period under the 6th replenishment at US\$ 9.3Bn (including contributions for C19RM).
- Conversion rate of the 6th replenishment at 31 Dec 2024 reached 100% of adjusted pledges and is considered closed.

Note: Some totals may not add up due to rounding.

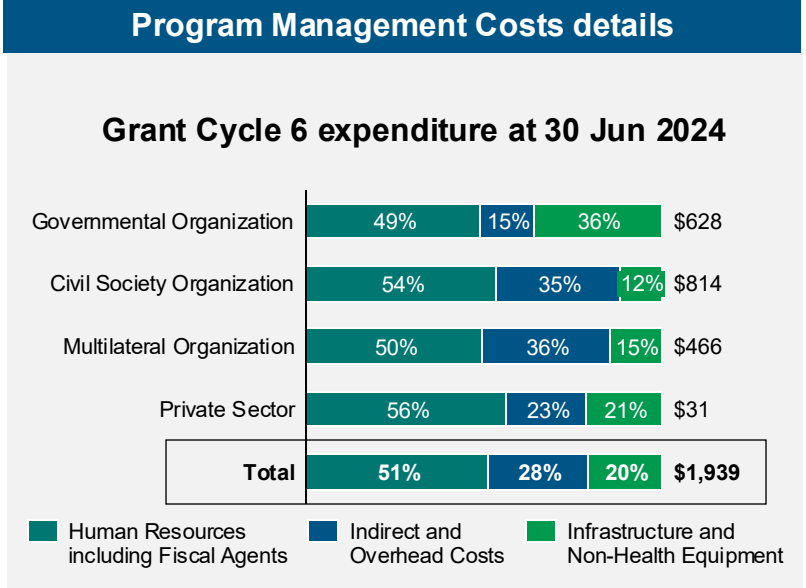
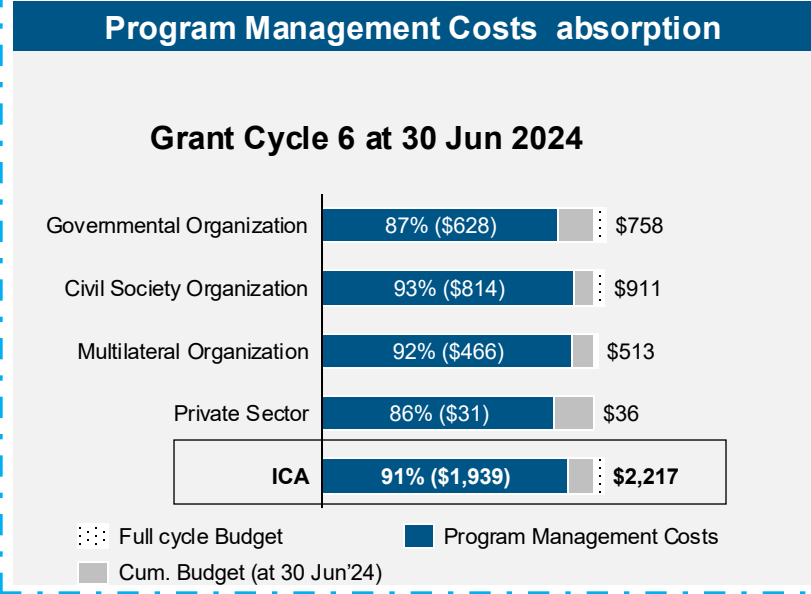
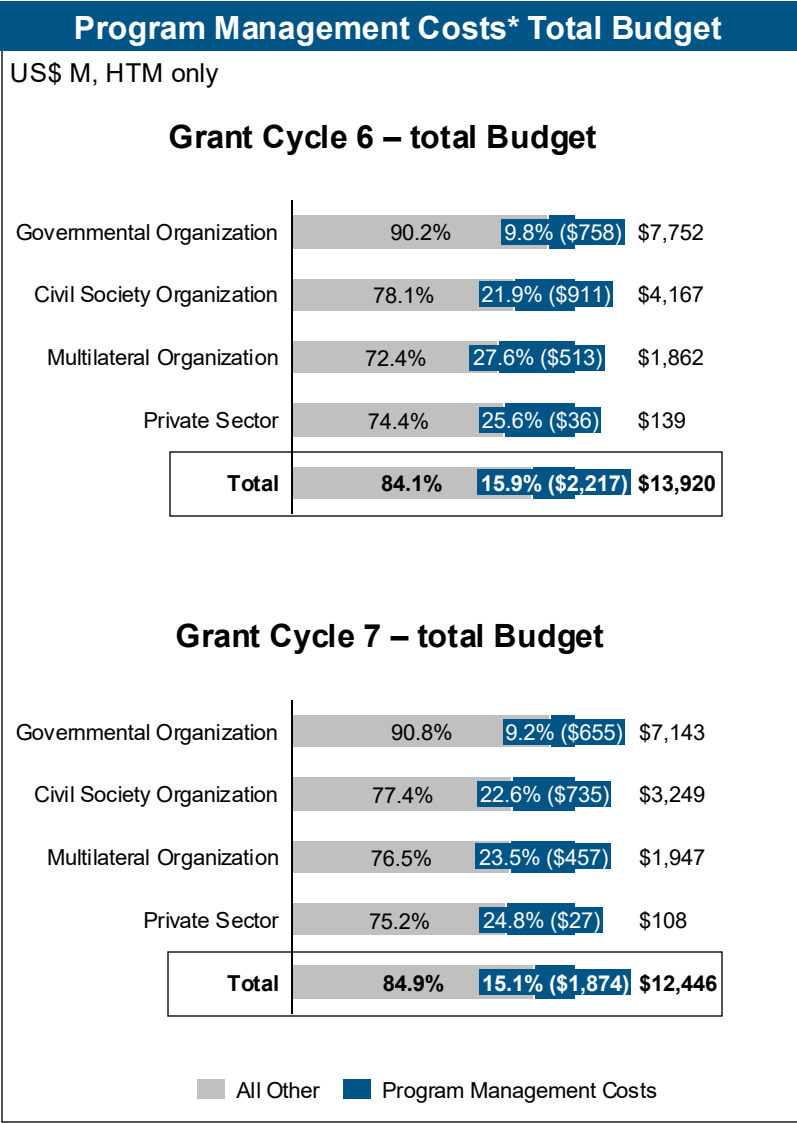
ICA remains stable (67%) at 30 June 24, reflecting 6-months of implementation of the strategic shift

Summary – C19RM 2021



- As of 31 December 2024, **80% of allocation has been disbursed**, with a further US\$ 0.8Bn forecasted disbursement until 31 December 2025, of which US\$ 0.3Bn relates to PPM, leaving little room for additional disbursements in non-PPM.
- Budget Utilization of 79% at 31 Dec 2024** is decreasing (82% at Jun 2024) as the disbursement pace in 2024 has slightly slowed down.
- In-Country Absorption of 67%** at 30 Jun 2024 is stable but expected to increase considering recent reinvestments and materialization of PPM pipeline.
- Year 2025 presents a relatively low C19RM budget (US\$ 0.5Bn) where the focus will be on implementation of the RSSH investments and a catch-up on absorption can reasonably be expected. However, **close monitoring of in-country execution is crucial to ensure that the high AU is converted to expenditure**, particularly considering the gap between total disbursements at end of December 2024 (US\$ 3.4 Bn) and the latest reported expenditure (US\$ 2.3 Bn).

Program management costs is absorbing well (91% for GC6 HTM at Jun 2024), with higher absorption for Civil Society and Multilateral organizations.



Grant Cycle 7 to be updated next time with Dec 2024 validated expenditure reports

The 2024 OPEX budget operated at 99.5% utilization, with savings re-prioritized to enhance the flexibility of Secretariat resources and support emerging needs

2024 Actuals & Budget - by cost nature

in US\$ M	FY 2024 Actuals	FY 2024 Revised Budget	Var. Actuals vs Budget		Budget Utilization
			abs	%	%
LFA Fees	41.9	43.2	(1.3)	(2.9%)	97%
CCM Funding	10.8	11.1	(0.3)	(2.5%)	98%
Costs Secretariat and OIG	274.8	278.9	(4.1)	(1.5%)	99%
Workforce	197.0	195.1	1.9	1.0%	101%
Staff	188.0	189.7	(1.7)	(0.9%)	99%
Individual / Temp Consultants	9.1	5.4	3.6	67.3%	167%
Professional fees	36.0	39.3	(3.3)	(8.5%)	92%
Travel	14.8	15.0	(0.2)	(1.5%)	98%
Meetings	2.3	2.4	(0.2)	(6.6%)	93%
Communications	1.7	2.0	(0.3)	(16.7%)	83%
Office Infrastructure	19.8	21.1	(1.3)	(6.1%)	94%
Board Constituency	1.2	1.4	(0.2)	(14.5%)	85%
Depreciation	2.1	2.5	(0.5)	(18.1%)	82%
External Co-Funding	0.0	0.0	0.0		
Opex before non-recurring costs	327.5	333.2	(5.6)	(1.7%)	98%
Total Non-recurring costs	13.1	9.1	4.0	44.2%	144%
Total operating costs	340.6	342.2	(1.6)	(0.5%)	99.5%

2024 Actuals & Budget - by Delivery Approach

in US\$ M	FY 2024 Actuals	FY 2024 Revised Budget	Var. Actuals vs Budget		Budget Utilization
			abs	%	%
Strategy & Resource Mobilization	36.2	38.0	(1.8)	(4.6%)	95%
Strategy	8.5	9.4	(0.9)	(10.0%)	90%
Resource Mobilization	27.8	28.6	(0.8)	(2.8%)	97%
Operational Delivery	122.4	121.8	0.6	0.5%	100%
Grant Mgt Country Teams	77.3	75.0	2.3	3.0%	103%
Technical Delivery	45.1	46.8	(1.7)	(3.6%)	96%
Secretariat Support / Enabler	82.1	83.0	(0.9)	(1.1%)	99%
Assurance	24.1	25.4	(1.3)	(5.0%)	95%
Structural and Technical Adjustments	13.1	9.1	4.0	44.2%	144%
PART A - Total Secretariat	277.9	277.3	0.7	0.2%	100%
Operational Delivery	13.5	13.9	(0.4)	(3.1%)	97%
CCM & CCM Evolution	13.5	13.9	(0.4)	(3.1%)	97%
Assurance	49.2	51.1	(1.9)	(3.7%)	96%
PART B - In-Country & Independent bodies	62.7	65.0	(2.3)	(3.6%)	96%
Total operating costs	340.6	342.2	(1.6)	(0.5%)	99.5%

Key Insights

- Workforce: flexibility on onboarding and short-term coverage has helped to manage workforce tensions and needs in 2024 while higher employer contribution to life & invalidity insurance premium largely offset savings from recruitment delays.
- Non-workforce: lower expenses on assurance mechanisms (LFA/CCM) combined with savings mainly in professional fees from rigorous budgetary discipline.
- Non-Recurring costs: in Q4 2024 the Secretariat launched a scheme for voluntary early separation (VES) and early retirement (ER) in alignment with the ongoing effort to increase flexibility in management of Secretariat resources.

C19RM Mgmt. & Op. Costs utilization at 76% with 97% forecasted utilization by the end of C19RM implementation period

C19RM Management & Operating Costs by Nature

in US\$ M	ITD December Actuals 2021 - 2024	Remaining Forecast 2025	Total Forecast 2021-2025	ITD December 2021-2024 Utilization %
LFA Fees	37.4	14.0	51.4	73%
CCM Funding	2.9	0.2	3.0	95%
Costs Secretariat and OIG	97.7	29.0	126.7	77%
Workforce	68.6	21.6	90.1	76%
<i>Staff</i>	<i>58.0</i>	<i>20.4</i>	<i>78.4</i>	<i>74%</i>
<i>Individual / Temp Consultants</i>	<i>10.5</i>	<i>1.2</i>	<i>11.8</i>	<i>90%</i>
Professional fees	9.8	3.8	13.6	72%
Travel	5.6	1.8	7.4	76%
Meetings	0.0	0.0	0.0	27%
Communications	0.1	0.0	0.1	100%
Office Infrastructure	5.5	1.8	7.3	76%
Other Assurances (SO)	8.0	0.0	8.0	100%
Total before non-recurring costs	138.0	43.1	181.1	76%
Total Non-recurring costs	2.2	1.2	3.4	65%
Total operating costs	140.1	44.3	184.5	76%
Total Enveloppe			190.0	
Total Utilization			97%	
Unallocated C19 Funds			5.5	

C19RM Management & Operating Costs by Delivery Approach

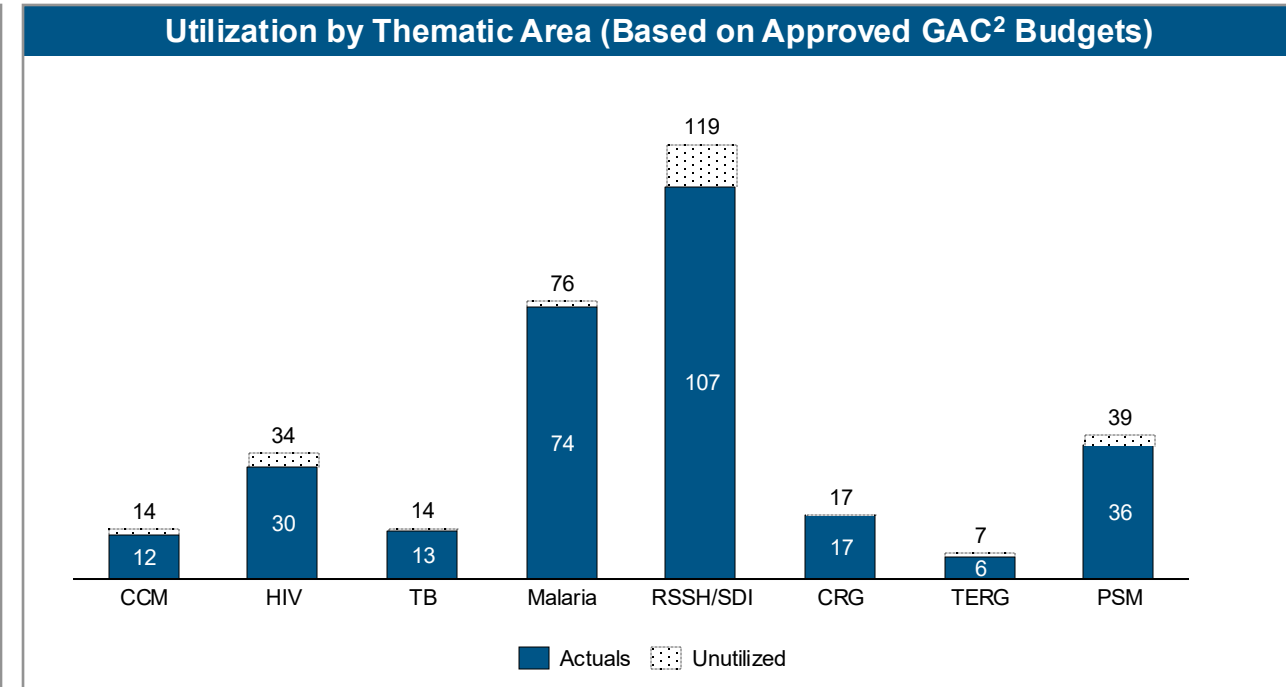
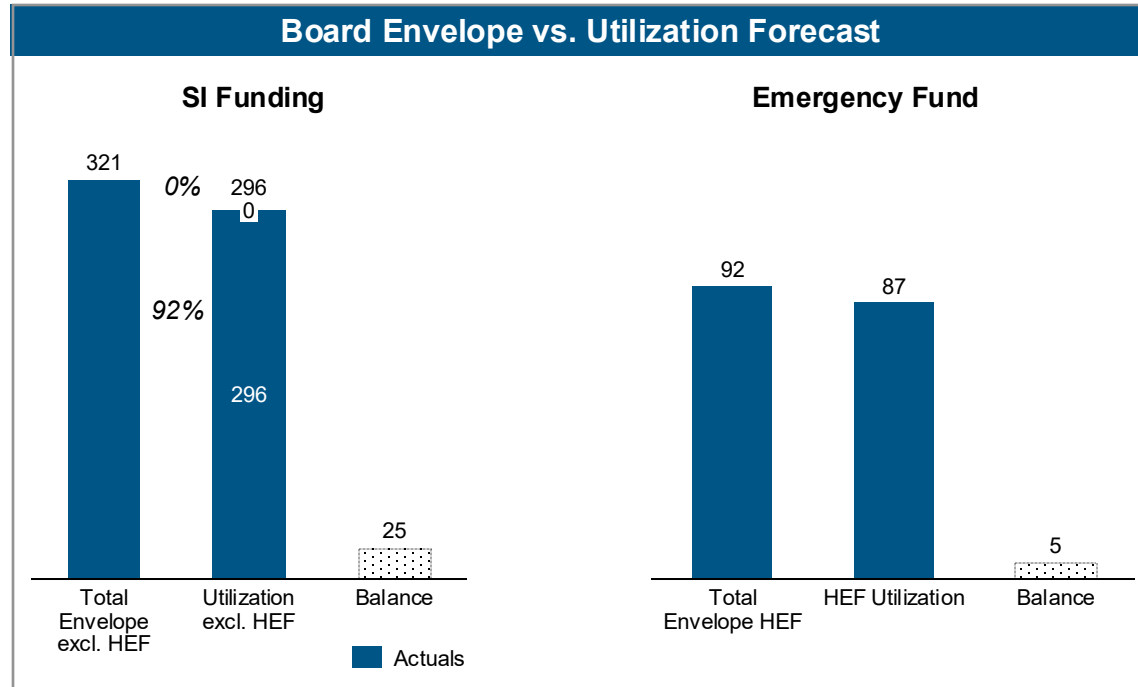
in US\$ M	ITD December Actuals 2021 - 2024	Remaining Forecast 2025	Total Forecast 2021-2025	ITD December 2021-2024 Utilization %
Strategy & Resource Mobilization	7.4	1	8.8	85%
Operational Delivery	59.1	15	73.8	80%
Secretariat Support / Enabler	32.4	12	44.8	72%
Assurance	39.0	15	53.7	73%
Structural & Technical adjustments	2.2	1	3.4	65%
Total operating costs	140.1	44.3	184.5	76%
Total Enveloppe			190.0	
Total Utilization			97%	
Unallocated C19 Funds			5.5	

ITD = Inception To Date, i.e. C19RM Management & Operating Costs since 2021

NB: Figures are rounded.

GC6 SI fund utilization of 92%¹, reflecting acceleration later in the cycle to exceed previous forecasts

in \$ M



- By 31 December 2024, total SI Fund utilization was **92%** or **US\$ 296M**, exceeding previous forecast of 85% utilization and the Secretariat target of 80%. This reflects strong efforts to maximize funds through revision and reallocation, as well as acceleration during the last year of implementation. Many key SI deliverables are sequenced later in the cycle, triggering payment and increased expenditure.
- The Accelerated Introduction of LLINs SI was extended for one year, until 31 December 2024. All outstanding expenditure for this SI was captured as part of the 2024 accruals reporting, leading to no remaining costs forecasted for GC6 SIs.

Grant Financial Performance Index

Metrics	Definition	Calculation	Thresholds					
Allocation Utilization (Forward looking)	Total amount of funds disbursed and forecasted to be disbursed to a country, against its allocation amount for the Allocation and Grant Implementation Period.	Forecasted Disbursement / Allocation	Before GC7			From GC7		
			Allocation Utilization:	<div><div></div> >= 91%</div> <div><div></div> 75% to <95%</div> <div><div></div> Below 75%</div>		Allocation Utilization:	<div><div></div> >= 95%</div> <div><div></div> 75% to <95%</div> <div><div></div> Below 75%</div>	
Budget Utilization	A forward-looking metric providing visibility on actual disbursements against the latest approved budget and implementation period. This effectively measures the release of funds for Goods & Services to be delivered at country level	(Disbursement + Cash Balance) / Budget	Budget Utilization:	Year 1 <div><div></div> >= 85%</div> <div><div></div> 75% to <85%</div> <div><div></div> Below 75%</div>	Year 2 <div><div></div> >= 90%</div> <div><div></div> 80% to <90%</div> <div><div></div> Below 80%</div>	Year 3 <div><div></div> >= 95%</div> <div><div></div> 85% to <95%</div> <div><div></div> Below 85%</div>		
Disbursement Utilization	This is indicative of in-country utilization of funds disbursed within the implementation period. It is the proxy assessment of absorptive capacity and indicates potential in-country cash optimization level	Expenditure / Disbursement	Disbursement Utilization:	Year 1 <div><div></div> >= 80%</div> <div><div></div> 65% to <80%</div> <div><div></div> Below 65%</div>	Year 2 <div><div></div> >= 85%</div> <div><div></div> 70% to <85%</div> <div><div></div> Below 70%</div>	Year 3 <div><div></div> >= 90%</div> <div><div></div> 75% to <90%</div> <div><div></div> Below 75%</div>		
In-Country Absorption (Backward-looking)	Proportion of the cumulative in-country expenditure against the cumulative grant budget, within the reported timeframe during the Grant Implementation Period.	Expenditure / Budget	In-Country Absorption:	Year 1 <div><div></div> >= 75%</div> <div><div></div> 65% to <75%</div> <div><div></div> 55% to <65%</div> <div><div></div> Below 55%</div>	Year 2 <div><div></div> >= 80%</div> <div><div></div> 70% to <80%</div> <div><div></div> 60% to <70%</div> <div><div></div> Below 60%</div>	Year 3 <div><div></div> >= 85%</div> <div><div></div> 75% to <85%</div> <div><div></div> 65% to <75%</div> <div><div></div> Below 65%</div>		

Definitions

Sources of Funds (SoF)

1. Pledges

1.1 Adjusted pledges

Announced pledges less adjustments for risk and ineligible factors as defined in the Comprehensive Funding Policy (CFP).

1.2 Pledge quality

Ratio of adjusted pledges to announced pledges where a higher ratio implies a higher pledge quality.

Uses of Funds

2. Grants

2.1 Allocation Utilization (AU)

Total amount of funds that is disbursed and forecasted to be disbursed to a country against its allocation amount for the Allocation and Grant Implementation Period.

2.2 Budget Utilization (BU)

A forward-looking metric providing visibility on actual disbursements against the latest approved budget and implementation period. This effectively measures the release of funds for Goods & Services to be delivered at country level.

2.3 In-Country Absorption (ICA)

Proportion of the cumulative in-country expenditure against the cumulative grant budget, within the reported timeframe during the Grant Implementation Period.

2.4 C19Rm In-country utilization

Total C19RM expenditure against C19RM awards + Grant Flexibilities. This is a better measurement of financial performance for C19RM given PR has flexibilities to reprogram through grant flexibilities.

2.5 Proximal Financial Information from Pulse Checks

To strengthened oversight and enhance country performance, Principal Recipients now provide key financial metrics quarterly through Pulse Checks for High Impact and Core grants. Although the information shared by the implementers is not reviewed by our assurance providers, the insights gained from those Proximal financial information offer a reliable indicator of absorption (within a +/- 4-5% margin of error). This allows the Global Fund, implementing countries and partners to foresee potential issues and make necessary adjustments.

3. Strategic Initiatives (SI)

3.1 SI Fund Utilization

Total amount of funds forecasted to be paid / disbursed against initial SI envelope.

4. Operating Expenses (OPEX)

4.1 Actual Execution

OPEX Actuals YTD vs against Budget YTD for the reporting period.

4.2 Budget Execution

Latest OPEX forecast for the full year against OPEX Budget for the full year.

4.3 Holistic OPEX

Holistic view of OPEX includes all sources of funding, including regular OPEX, C19RM, Strategic Initiatives and co-funding contributions.

4.4 Regular OPEX

Refers to OPEX for Secretariat excluding related costs for C19RM management and operating costs and those funded by Strategic Initiatives and Co-funding contributions.

Delivery Approach & Thematic Areas Mapping Guide

Operational
Delivery

Delivery Approach Mapping	
Delivery Approach	Division
Strategy & Resource Mobilization	ERCD, OED, SPH, Governance
Grant Mgmt Country Teams & CCM & CCM Evolution	F&A (CT Finance Specialist), GMD (CT & CCM)
Technical Delivery	Programmatic Monitoring, SIID, SO
Secretariat Support / Enabler	F&A (Corporate Finance & Admin), HR, IT, Legal, SO Indirect Sourcing, GMD (GPS)
Assurance	Ethics (incl. PSEAH), OIG, Risk, GMD (LFA) + PDQA, SO QA, Evaluation function, TERG, TRP
Structural & Technical adjustments	Central Reserves & Priority 2024-2025

Thematic Areas Mapping		
Thematic Area	Sub Thematic Area	Division
Secretariat Operational Capabilities	Resource Mobilization	ERCD
	Grant Operations	FA (Grant Finance), GMD, SIID (A2F, SI)
	Oversight & Support Functions	FA, HR, LGD, SO (Indirect) + QA, OED (excl Eval)
Programmatic Capabilities	Strategic Investment & Impact	SIID (excl A2F, TRP), SPH
	Supply Operations	SO
	Programmatic Monitoring	Prog. Monitoring
Digitalization & IT Security	Digitalization & IT Security	IT
Organizational Risk & Assurance	OIG (independent)	OIG
	Second Line Oversight	Ethics (incl. PSEAH), Risk
In-Country & Independent Bodies	External Assurance	GMD (LFA & CCM) + PDQA
	Independent Bodies	TRP, TERG reclass, Eval,
Structural & Technical adjustments	Structural & Technical adjustments	Central Reserves & Priority 2024-2025